

SCHOOL FACILITIES BOARD
February 12, 2004
Phoenix, Arizona

The School Facilities Board held a board meeting in the Grand Canyon Room of the Arizona State Capitol Building, 1700 West Washington Phoenix, Arizona. The meeting began at approximately 10:05 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Conley, Patrice	Julius Young, Kayenta USD
Granillo, Pete	
Keenan, Brooks	
McGee, Kate	
Wright, John, Vice-Chair	
Vaughan, G. Keith	
Vicki Salazar, Superintendent's Representative (non-voting)	
<u>Members Absent</u>	
Van Sittert, Logan	
Wicks, Mike	
<u>Staff Present</u>	
William Bell, Executive Director	
Tim Brand, Facilities Deputy Director	
Candy Cooley, Deputy Director of MIS	
John Arnold, Deputy Director of Finance	
Judith Darknall, Assistant Attorney General	
Deborah Dominguez, Executive Assistant	
Kristen Landry, Public Information Officer	
Emerson Stiles, Land Specialist	

Welcome

John Wright welcomed the School Facilities Board.

- I. Call to Order
The Board Vice-Chair, John Wright, called the meeting to order at approximately 10:05 A.M.
- II. Roll Call
There were seven Board Members present at this meeting, including Vicki Salazar of ADE, a non-voting member.
- III. Approval of Minutes of the January 8, 2004 Meeting
Brooks Keenan moved that the Board approve the Regular and Executive Session Minutes for January 8, 2004. Peter Granillo seconded. Motion passed on a 6-0 voice vote.

Pat Conley commented that in agenda item VIa, a statement was made that if the Cartwright buildings were not replaced it would leave the district with inadequate space. It was upon that information that the board approved this item, however, upon closer analysis of the new construction index the district was not eligible for additional space until 2006. She added that this action was to give 25,000 square feet in 2004.

Candy Cooley clarified that if the buildings were not replaced, it would leave the district with inadequate space in 2004.

Judith Darknall stated that the board is voting on the minutes as written and asked if the minutes were accurate.

John Wright stated that if there is additional information that Ms. Conley would like to reassure her of the data she can be provided with that but, this record will not reflect that there were any errors with the minutes as written.

The following items are listed in the order in which they appear on the agenda, not necessarily in the order in which they were discussed. Several items were reviewed out of order as they related to other items on the agenda.

IV. Director's Report

a. Deficiency Correction Update

This was an informational item only. The following issues were discussed.

- January 20, 2004 Status of Work and Performance
- Status by letter package, based on substantial completion.

b. Discussion of Deficiencies Correction Audit

Charlotte Hosseini introduced two of the auditors from Jefferson Wells that will be auditing the deficiencies corrections projects. Keith Vaughan asked how long this process would take. Ms. Hosseini stated that the preliminary phase would take two to three weeks, and the rest would be dependent upon the results of that preliminary report. Mr. Vaughan added that he would like to see this item stay on the agenda until the audit is complete. Pat Conley asked if this was a comprehensive audit or just sampling. Auditor John Croy confirmed that the audit will begin with a sampling, but could become comprehensive in the second phase.

c. Land Appraisals

Director Bell explained that staff will be ordering two land appraisals during the Step III land process as a result of recent SFB land issues Keith Vaughan asked if the appraisals are concurrent which Director Bell confirmed that they are ordered at the same time.

Kate McGee asked if there will be a review of previous appraisals. Director Bell stated that he has instructed staff to examine previous appraisals. Brooks Keenan asked if that applies to land that the SFB has already purchased. Director Bell stated that he was not sure what would be included in the review.

Brooks Keenan added that ordering two appraisals is a good idea as some appraisers estimate high, others appraise low and we need to find the most reliable price.

d. Study Committee of New School Construction

Director Bell explained that this item is to create a committee to review the board's policy on how approval of new schools is determined. He asked that the chair appoint this committee. John Wright appointed Keith Vaughan, Kate McGee and Peter Granillo to the committee.

e. New Board Member-Frank Davidson

John Wright introduced Frank Davidson. Mr. Davidson will fill the facilities position on the board once he is confirmed.

f. Legislative Update

John Arnold explained several bills that effect the SFB that are currently at the legislature. He added that SB 1344 was not on the list presented to the board, but that this bill would allow districts to apply to sell buildings to the SFB if the district cannot meet their debt service. The SFB would then make payments for those buildings over 8 years and then the district would buy back their buildings. Kate McGee asked how many districts would this apply to. Mr. Arnold stated that there is only one district that this would affect.

Keith Vaughan moved that the board go into executive session for the purpose of discussing item IVg. Pat Conley seconded. Motion passed on a 6-0 voice vote.

Executive session was held from 10:35am to 11:00am.

g. Cox Contract Update

Kate McGee moved that the board ratify instructions given to counsel and staff regarding the Cox Contract. Keith Vaughan seconded. Motion passed on a 6-0 voice vote.

V. Assessment Deficiencies

a. Consideration of Ratification of Contracts for Deficiency Corrections Projects

Brooks Keenan moved that the Board ratify the contract awards for the School Facilities Board and the districts and vendors listed under agenda item V.a. Peter Granillo seconded. Motion passed on a 6-0 voice vote.

b. Consideration of Ratification of Change Orders for Deficiency Corrections Projects

Brooks Keenan moved that the Board ratify the change orders for the districts and vendors listed under agenda item V.b. Peter Granillo seconded. Motion passed on a 6-0 voice vote.

Kate McGee asked why the board is seeing so many change orders for fire alarm projects. Tim Brand stated that once the projects are complete the Fire

Marshall must approve the building. He stated that the Fire Marshall can add additional items that need to be done prior to occupancy and often find items that were not included in the plans.

VI. Preventive Maintenance

a. Explanation of Attorney General's opinion on the use of Building Renewal funds for Preventive Maintenance Plans

Judith Darknall explained that some districts have balances of Building Renewal monies that they would like to use for preventive maintenance. The Attorney General's opinion states that districts may use their balances for preventive maintenance and that they will use the building renewal formula to calculate the amount that they may use.

b. Consideration of Preventive Maintenance Plans

Peter Granillo move that the board approve the preventive maintenance plans as presented in item VIb. Brooks Keenan seconded. Motion passed on a 6-0 voice vote.

VII. New School Construction

a. Consideration of 2004 Capital Plan New Construction Requests

Kayenta, Littlefield, and Roosevelt School Districts were removed from the agenda by district request.

Keith Vaughan moved that the Board approve the staff recommendation as follows:

1. That the Board approve the staff recommendation to deny the Maricopa County Regional District's request to purchase the Lone Cactus High School site.
2. That the Board approve the staff recommendation to re-approve project 070381000-9999-201N for Nadaburg Elementary District. This project was originally approved March 9, 2000, but later cancelled because the project was not successfully bid within the three-year timeframe due to economic factors. The approval would add 55,440 square feet to the district at \$103.47 per square foot, for a total funding amount of \$5,736,377.
3. That the Board approve the staff recommendation to deny the Scottsdale Unified District's request for additional 9-12 high school space for 600 students to open in FY 07.

Brooks Keenan asked why a district would apply for a new school when they don't seem close enough to qualify. Candy Cooley explained that when the districts try to pass B Bond elections to fund a new school, they can say they did not qualify for state funds.

Pat Conley stated that the recommendations do not have the year the school is expected to open. She added that the board should determine a threshold to make sure a new school will be supported by the number of students.

Candy Cooley stated that before breaking ground a district's ADM will once again be evaluated.

Julius Young from the Kayenta Unified School District addressed the board and said Kayenta's enrollment has greatly increased. He did not believe the data staff had was accurate and requested this item be reconsidered. Staff agreed to pull Kayenta from the agenda and reevaluate the enrollment numbers.

Brooks Keenan seconded. Motion passed on 6-0 voice vote.

b. Consideration of New Construction Projects Review, Bids, Bid Packages and Change Orders, and Expansion/Change of Scope and Increased Project Cost Review and Change Orders

Keith Vaughan moved that the Board approve the staff recommendation as follows:

1. Approve Buckeye Union High School District's request to go to bid on a School Facilities Board project in the amount of \$7,461,743 for the buildout of a 9-12 high school, project number 070501000-9999-001N.
2. Approve Florence Unified School District's request to go to bid on a School Facilities Board project in the amount of \$10,092,852 for a K-8 elementary school, project number 110201000-9999-004N contingent upon Board approval of site, project number 110201000-9999-010L.

Pat Conley seconded, Motion passed on a 6-0 voice vote.

c. Consideration of New Construction Projects Review, Bids, Bid Packages and Change Orders, and Expansion/Change of Scope and Increased Project Cost Expansion of Scope and Increased Project Cost

Brooks Keenan moved that the Board approve the staff recommendation for additional funding in the amount of \$172,500 for the Isaac Elementary School District to provide for the specific conditions that exist at this school site for project #070405000-9999-002N. Keith Vaughan seconded. Motion passed on a 6-0 voice vote.

d. Consideration of Other New Construction Issues

Peter Granillo moved that the Board approve the staff recommendation to allow the Avondale Elementary School District to re-configure from K-6 and 7-8 schools to K-8 schools. Brooks Keenan seconded. Motion passed on a 6-0 voice vote.

VIII. Consideration of Request for Land or Real Property Purchase, Lease, or Donation, including requests from:

a. Step III

Cartwright Elementary

Keith Vaughan moved that the Board approve Cartwright Elementary School District's request to purchase 20 acres for a 7-8 site (070483000-9999-008L). Peter Granillo seconded. Motion passed on a 6-0 voice vote.

Coconino County Accommodation

Director Bell explained that two appraisals were ordered and very different amounts were submitted. A third review appraisal has been ordered. Once the results of that appraisal come in, staff will hold a telephonic board meeting to decide on this land purchase.

Florence Unified

Peter Granillo moved that the Board approve Florence Unified School District's request to accept a donation of 13.104 acres for a K-8 site (110201000-9999-010L). Brooks Keenan seconded. Motion passed on a 6-0 voice vote.

Kate McGee asked if two appraisals would also be ordered on donated land. Candy Cooley stated that only one appraisal would be ordered for parcels that were donated.

b. Other Land Related Issues

Tolleson Elementary

Brooks Keenan moved that the Board approve the staff recommendation to approve the request of Tolleson Elementary to sell the approximately 2 acre parcel of non-usable land. Keith Vaughan seconded. Motion passed on a 6-0 voice vote.

IX. Finance Report

John Arnold explained the current status of the Deficiency Corrections, Lease-to-Own and New Construction funds

X. Future Agenda Items

Building Renewal reporting issues

XI. Public Comment

None

Adjournment

There being no further business Board Vice-Chair, John Wright, adjourned the meeting at approximately 11:50 P.M.

Approved by the School Facilities Board on _____, 2003

Logan Van Sittert, Chair